

CASE 6174: YATES PETROLEUM CORP. *tion*  
FOR AN UNORTHODOX LOCATION, EDDY  
COUNTY, NEW MEXICO

Joel Carson

NSL Y. & S. R. Corp

S/2 34-7175-26E

660 FSL & FEL

Moore JD #1

~~W~~ Wolfcamp

Pennsylvanian

Laramie

Kennedy Farms Field, Eddy Co

RLS 2-14-78

Case NO.

6174

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 8, 1978

EXAMINER HEARING

-----  
IN THE MATTER OF: )  
 )  
Application of Yates Petroleum ) CASE  
Corporation for an unorthodox location, ) 6174  
Eddy County, New Mexico. )  
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BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

For the New Mexico Oil                      Lynn Teschendorf, Esq.  
Conservation Commission:              Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

**sid morrison reporting service**  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

1 MR. NUTTER: We will call the next case, Case  
2 6174.

3 MS. TESCHENDORF: Case 6174, application of Yates  
4 Petroleum Corporation for an unorthodox location, Eddy  
5 County, New Mexico.


6 The applicant has requested that this case be  
7 dismissed.

8 MR. NUTTER: Case 6174 will be dismissed.  
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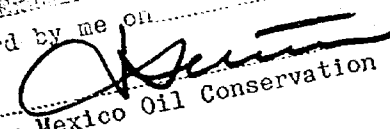
**sid morrish reporting service**  
*General Court Reporting Service*  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,  
do hereby certify that the foregoing and attached Transcript  
of Hearing before the New Mexico Oil Conservation Commission  
was reported by me, and the same is a true and correct record  
of the said proceedings to the best of my knowledge, skill and  
ability.

  
Sidney F. Morrish, C.S.R.

sid morrish reporting service  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 6174  
heard by me on 3/8, 1978.  
  
New Mexico Oil Conservation Commission



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 6174  
Order No. R-5670

APPLICATION OF YATES PETROLEUM  
CORPORATION FOR AN UNORTHODOX  
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 1978,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of March, 1978, the Commission,  
a quorum being present, having considered the record and the  
recommendations of the Examiner, and being fully advised in the  
premises,

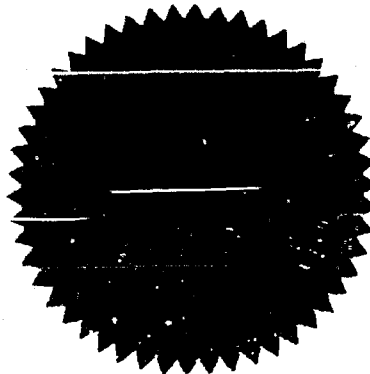
FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6174 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.



S E A L

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

*Emery C. Arnold*  
EMERY C. ARNOLD, Member

*Joe D. Ramey*  
JOE D. RAMEY, Member & Secretary

jr/

LOSEE & CARSON, P.A.

300 AMERICAN HOME BUILDING

P. O. DRAWER 239

ARTESIA, NEW MEXICO 88210

A. J. LOSEE  
JOEL M. CARSON  
CHAD DICKERSON

AREA CODE 505  
746-3508

7 March 1978

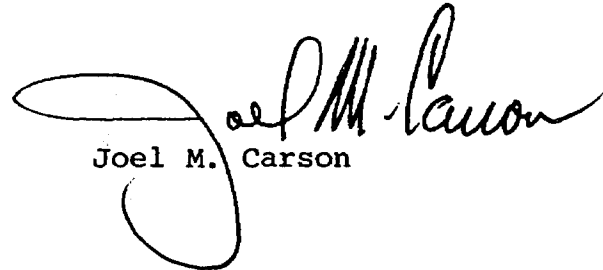
Mr. Joe D. Ramey, Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

We would like to request that the application of Yates  
Petroleum Corporation for an unorthodox location styled  
on your docket as cause No. 6174 be dismissed.

Respectfully submitted,

LOSEE, CARSON & DICKERSON, P.A.



Joel M. Carson

JMC:bjm

cc: Mr. Randy Patterson



Dockets Nos. 11-78 and 12-78 are tentatively set for hearing on March 22 and April 5, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 8, 1978

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Rutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- CASE 6167: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Saguaro Oil Company and all other interested parties to appear and show cause why the Tenneco Santa Fe Well No. 1 located in Unit D of Section 31, Township 18 North, Range 8 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6168: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Rutter and Wilbanks Brothers, Maryland Casualty Company, and all other interested parties to appear and show cause why the Magruder State Well No. 1 located in Unit E of Section 36, Township 17 South, Range 27 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6169: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Petroleum Products Refining and Producing Company, and all other interested parties to appear and show cause why the Santa Fe Pacific Wells Nos. 1 and 2 located in Units F and K, respectively, of Section 21, Township 21 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6170: Application of Aminoil USA, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Westlake Unit Area comprising 1920 acres, more or less, of State lands in Township 24 South, Range 34 East, Lea County, New Mexico.
- CASE 6171: Application of J. M. Huber Corporation for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard proration unit comprising the SW/4 NE/4, W/2 SE/4 and SE/4 SE/4 of Section 10, Township 23 South, Range 26 East, Yarrow-Delaware Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 990 feet from the South line and 1650 feet from the East line of said Section 10.
- CASE 6172: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 22, Township 19 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6173: Application of Harvey E. Yates Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Crosby Well No. 1 located 990 feet from the North line and 660 feet from the West line of Section 34, Township 7 South, Range 30 East, Cato Field, Chaves County, New Mexico, the W/2 of said Section 34 to be dedicated to the well.
- CASE 6174: Application of Yates Petroleum Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Moore "JD" Well No. 1 to be located 660 feet from the South and East lines of Section 34, Township 17 South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, the S/2 of said Section 34 to be dedicated to the well.
- CASE 6096: (Continued from February 8, 1978, Examiner Hearing)
- Application of Texas Oil & Gas Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 14, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to applicant's South Wilson State Well No. 1 to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

LOSEE &amp; CARSON, P.A.

300 AMERICAN HOME BUILDING

P. O. DRAWER 239

ARTESIA, NEW MEXICO 88210

A. J. LOSEE  
JOEL M. CARSON  
CHAD DICKERSONAREA CODE 505  
746-3508

14 February 1978

FEB 15 1978

OIL CONSERVATION COMM.  
SANTA FE

Mr. Joe D. Ramey, Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Enclosed for filing, please find three copies of Application of Yates Petroleum Corporation for an unorthodox gas well location for its Moore "JD" No. 1 Well in Eddy County, New Mexico.

We ask that this case be set for hearing before an examiner for March 8 if possible and that we be furnished with a copy of the docket for said hearing.

Yours truly,

LOSEE, CARSON &amp; DICKERSON, P.A.

  
Joel M. CarsonJMC:bjm  
Enclosures

cc w/enclosure: Mr. Jack W. McCaw

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
YATES PETROLEUM CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO

CASE NO. 6174

APPLICATION

COMES NOW YATES PETROLEUM CORPORATION, by its attorneys,  
and in support hereof, respectfully states:

1. Applicant is the operator of the Morrow formation  
underlying:

Township 17 South, Range 26 East, N.M.P.M.

Section 34: S/2

and proposes to drill its Moore "JD" No. 1 Well at a point  
located 660 feet from the South line and 660 feet from the  
East line of said Section 34.

2. The applicant seeks an exception to the well loca-  
tion requirements of Rule 104-C.2(a) of the Oil Conservation  
Commission to permit the drilling of the well at the above men-  
tioned unorthodox location to a depth sufficient to adequately  
test the Morrow formation.

3. A standard 320-acre gas proration unit comprising  
the S/2 of said Section 34 should be dedicated to such well or  
to such lesser portion thereof as is reasonably shown to be  
reasonably productive of gas.

4. The approval of this application will afford  
applicant the opportunity to produce its just and equitable  
share of gas, will prevent economic loss caused by the drilling

of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Commission enter its order granting applicant permission to drill a well 660 feet from the East line and 660 feet from the South line of said Section 34 and to dedicate the S/2 of Section 34, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.  
P. O. Drawer 239  
Artesia, New Mexico 88210

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
YATES PETROLEUM CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO

CASE NO. 6174

APPLICATION

COMES NOW YATES PETROLEUM CORPORATION, by its attorneys,  
and in support hereof, respectfully states:

1. Applicant is the operator of the Morrow formation  
underlying:

Township 17 South, Range 26 East, N.M.P.M.

Section 34: S/2

and proposes to drill its Moore "JD" No. 1 Well at a point  
located 560 feet from the South line and 660 feet from the  
East line of said Section 34.

2. The applicant seeks an exception to the well loca-  
tion requirements of Rule 104-C.2(a) of the Oil Conservation  
Commission to permit the drilling of the well at the above men-  
tioned unorthodox location to a depth sufficient to adequately  
test the Morrow formation.

3. A standard 320-acre gas proration unit comprising  
the S/2 of said Section 34 should be dedicated to such well or  
to such lesser portion thereof as is reasonably shown to be  
reasonably productive of gas.

4. The approval of this application will afford  
applicant the opportunity to produce its just and equitable  
share of gas, will prevent economic loss caused by the drilling

of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Commission enter its order granting applicant permission to drill a well 660 feet from the East line and 660 feet from the South line of said Section 34 and to dedicate the S/2 of Section 34, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.  
P. O. Drawer 239  
Artesia, New Mexico 88210

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
YATES PETROLEUM CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO

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CASE NO. 6174

APPLICATION

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and in support hereof, respectfully states:

1. Applicant is the operator of the Morrow formation  
underlying:

Township 17 South, Range 26 East, N.M.P.M.

Section 34: S/2

and proposes to drill its Moore "JD" No. 1 Well at a point  
located 660 feet from the South line and 660 feet from the  
East line of said Section 34.

2. The applicant seeks an exception to the well loca-  
tion requirements of Rule 104-C.2(a) of the Oil Conservation  
Commission to permit the drilling of the well at the above men-  
tioned unorthodox location to a depth sufficient to adequately  
test the Morrow formation.

3. A standard 320-acre gas proration unit comprising  
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of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Commission enter its order granting applicant permission to drill a well 660 feet from the East line and 660 feet from the South line of said Section 34 and to dedicate the S/2 of Section 34, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

Josef M. Carson

LOSEE, CARSON & DICKERSON, P.A.  
P. O. Drawer 239  
Artesia, New Mexico 88210

Attorneys for Applicant



DRAFT

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

dr/

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 6174

Order No. R- 5670

APPLICATION OF YATES PETROLEUM  
CORPORATION FOR AN UNORTHODOX  
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 1978,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of March, 1978, the Commission,  
a quorum being present, having considered the record and the recom-  
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:

That Case No. 6174 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove  
designated.